

<https://helda.helsinki.fi>

Funding of gambling studies and its impact on research

Nikkinen, Janne

2019-12

Nikkinen , J 2019 , ' Funding of gambling studies and its impact on research ' , Nordic Studies on Alcohol and Drugs , vol. 36 , no. 6 , 1455072519878127 , pp. 491-495 . <https://doi.org/10.1177/1455072519878127>

<http://hdl.handle.net/10138/308546>

<https://doi.org/10.1177/1455072519878127>

cc_by_nc

publishedVersion

Downloaded from Helda, University of Helsinki institutional repository.

This is an electronic reprint of the original article.

This reprint may differ from the original in pagination and typographic detail.

Please cite the original version.

Funding of gambling studies and its impact on research

Nordic Studies on Alcohol and Drugs

2019, Vol. 36(6) 491–495

© The Author(s) 2019

Article reuse guidelines:

sagepub.com/journals-permissions

DOI: 10.1177/1455072519878127

journals.sagepub.com/home/nad**Janne Nikkinen** 

Centre for Research on Addiction, Control and Governance (CEACG),
Faculty of Social Sciences, University of Helsinki, Finland

Keywords

conflict of interest, funding disclosure, gambling, hypothecated taxation, research bias

Gambling is a lucrative source of revenue for governments, since it is capable of producing revenue outside “normal” taxation. The global gambling expansion that has occurred within last few decades has not always been in the best interests of the citizenry, but it has been more a result of government–industry partnerships to raise public income (Adams, 2008; Nelson & Mason, 2007; Orford, 2011). Social concern about gambling has been replaced with responsibility for personal choice (Panasitti & Schull, 1994; Nikkinen & Marionneau, 2014). Much gambling consumption is, however, involuntary, and gambling is one of the “coercive commodities” (Young & Markham, 2017). Those who gamble excessively contribute to gambling taxes disproportionately. Up to 60% of the proceeds of gambling are collected from those categorised as “problem” gamblers (Schull, 2012). Decreasing gambling-related harm therefore also decreases profits, since the total consumption model (TCM) appears to

apply to gambling (Rossow, 2019; Sulkunen et al., 2019).

Recognising that the majority of gambling revenues are collected from a small segment of the population that bears much of the harm, one could ask whether collection and use of gambling taxes (although they are often labelled as “proceeds”, in practice they are taxes: see Clotfelter, 2005) create problems of their own. In many European countries, gambling taxes are added to the state budget, but there are also several in which the proceeds (read: taxes) are earmarked to be used for certain “good causes”, as in Finland and Norway. When earmarking and hypothecated taxes are used, there is stronger justification for gambling (Egerer, Marionneau, & Nikkinen (Eds.), 2018).

Imposing hypothecated taxes on addictive products has been viewed as a feasible alternative to cover the costs of the (inevitable) individual and social harm the consumption of

Submitted: 23 August 2019; accepted: 26 August 2019

Corresponding author:

Janne Nikkinen, PO Box 18, Unioninkatu 35 Helsinki U, 000014, Finland.

Email: janne.nikkinen@helsinki.fi



Creative Commons Non Commercial CC BY-NC: This article is distributed under the terms of the Creative Commons Attribution-NonCommercial 4.0 License (<http://www.creativecommons.org/licenses/by-nc/4.0/>) which permits non-commercial use, reproduction and distribution of the work without further permission

provided the original work is attributed as specified on the SAGE and Open Access pages (<https://us.sagepub.com/en-us/nam/open-access-at-sage>).

these products causes. The popularity of hypothecated taxation in relation to tobacco, alcohol and gambling is explained by reasoning that non-users should not be forced to cover the costs of other people's poor lifestyle choices. However, since the ideological basis of the Nordic welfare state is based on solidarity and equity, it is possible to question whether hypothecated taxation is the best option for addressing gambling-related harm. Although hypothecated taxation has its benefits, such as that it can be earmarked for designated purposes, including problem gambling research and treatment, it also has its drawbacks.

The applicability of the total consumption model to gambling together with hypothecated taxes means that profits increase along with harm. This also works in the other direction: research and treatment professionals face decreases in their funding if the problems and proceeds decrease. The governmental agency allocating the funding can frame the gambling problem in such a manner that ensures the continuous flow of funds (Adams, 2016). Gambling industry actors are able to build relationships with officials in charge of allocating gambling proceeds and have their say on how they are used (on the grounds that they are the ones who produce the profits). The beneficiaries of gambling funds form strong lobby organisations, and this applies also to Nordic countries (Egerer et al. (eds.), 2018).

Without strong lobby organisations and government protection, and when researchers and treatment professionals also have an interest in a continuous flow of gambling proceeds, it is understandable that those with gambling problems feel increasingly isolated and hopeless (Orford, 2013). When the government has a gambling monopoly, *the government is the operator* and acts against the interests of some of its citizens, i.e., those labelled as "gambling addicts" (Orford, 2011). Framing problem gambling as individual vulnerability, the government can continue business with monopoly operators, and in this, the notion of the "problem gambler" as a political construct is

useful: few individuals are unable to control their gambling and most people can gamble "responsibly", without problems (Boyce, 2019; Cassidy, Loussouarn, & Pisac, 2013). This hinders the discussion about whether gambling products and services are inherently dangerous (Orford, 2011).

For researchers, the most serious issue is that the source of funding, hypothecated taxation, may also influence the research questions asked, and the subsequent results. When we explored 45 articles about gambling advertising in sport (Hellman et al., unpublished), in the articles the problem was mostly viewed as the ubiquity of gambling and the "gambification" of sport. Approximately one-third of these articles ($N = 16$) were funded by hypothecated gambling taxes (it should be noted that in many cases, the funding source was not immediately evident or available). It was recognised that there is far too much gambling advertising, and its impact on adolescents was worrisome for researchers (e.g., Hing, Vitartas, Lamont, & Fink, 2014). Although the articles recognised that something should be done, they were mostly silent about the most efficient measures to prevent harm in the future. In tobacco research, the complete advertising/sponsoring ban at sports events was imposed in the EU from 2005. Now gambling advertising has replaced tobacco advertisements, and Finland's premier football league (for example) is now known as the Veikkaus (national monopoly operator in Finland) League. In Sweden, following the licensing of online gambling in 2019, the Kindred Group is a new sponsor of premier football and ice hockey leagues, ending the era of Svenska Spel sponsoring them in the role of national monopoly operator. (In football, Svenska Spel had been the head sponsor from 1934.) In order to enhance prevention, an understandable step forward would be to follow the example of tobacco, and impose a general ban on sports gambling advertising. However, in studies related to advertising sport venues funded by hypothecated taxation, this option is often not considered at all. The role of

prevention has long been recognised in alcohol and tobacco, but in gambling, according to Heather Wardle and her colleagues, the current approach to targeting the already harmed individuals seriously underestimates the harm gambling causes (Wardle, Reith, Langham, & Rogers, 2019). Although writing in the UK context, their call for population-based approaches to changing regulation and funding practices should also be considered in Nordic countries. Currently it seems that the “gamblification” of leisure time, including sports, alongside the general normalisation of gambling in everyday life environments (such as the placement of “electronic gaming machines” (EGMs) in grocery shops and kiosks in Finland) combined with hypothecated taxation, creates a situation in which the public health approach is not easily applied.

What should be addressed in tandem with focusing on protecting public health and prevention in relation to gambling, is the issue of gambling research funding. As has already been noted in several publications and editorials, there is a danger of bias when gambling research is funded through industry funding. The editorial by Thomas Babor and Peter Miller in *Addiction* in 2014 noted that much of the research provided by National Center for Responsible Gambling (NCRG) in the US (sponsored by the American Gaming Association, industry advocate), failed to declare their funding source (Babor & Miller, 2014). Miller and his colleagues have also produced a more detailed evaluation of NCRG funding (Miller, Carter, & Groot, 2012). In this evaluation, an article by Harvard-affiliated Howard Shaffer and David Korn (Shaffer & Korn, 2002) was seemingly using a public health approach, but it framed the issue of problem gambling in a manner that it avoided “...any mention of the most effective public health measures employed in the most relevant comparative disorders (tobacco and alcohol), that is restricting access, availability and advertising” (Miller et al., 2012, p. 290).

In their editorial in *International Gambling Studies* in 2017 Charles Livingstone and his colleagues also noted that large gambling companies have been able to influence government policies and gambling researchers, including “research priorities, agendas and outcomes” (Livingstone et al., 2018). In the Nordic countries, the gambling industry does not exert its influence directly, as it does in the UK and the US. The influence is more indirect, and monopoly operators in particular use the discourse of “responsible gambling” to legitimate their business. The prevailing model is that prevalence studies are conducted with a large opportunity cost, in order to show that only a small proportion of gamblers are “addicted”, and politicians’ inaction may therefore be justified (for example, gambling proceeds are often used to support youth organizations of political parties, especially in Sweden and Finland) (Livingstone, 2013).

The problem is structural: no individual researcher or research group should be placed in a position in which they are unable to conduct gambling research or to attend conferences unless they accept gambling industry support for their research and travel. In a similar manner, academic conferences should be free of industry influence, and gambling companies should be denied a platform, especially in public health and addiction conferences (Livingstone, 2017). Currently there are few opportunities for gambling researchers in terms of research funding. Most rely on short-term grants from a small number of agencies. This problem has been recognised by Peter Miller and Kypros Kypri in relation to alcohol research, where the industry is able to exert its influence (Miller & Kypri, 2009). The situation with gambling research is the same. With short-term funding being derived from hypothecated taxation, novice researchers in particular unconsciously accept the paradigm that a government monopoly would be the best option for tackling gambling-related harm. This might be the case, but for the moment, it remains to be proven.


Declaration of conflicting interests

The author declared the following potential conflicts of interest with respect to the research, authorship, and/or publication of this article: CEACG-funding is derived from hypothecated gambling taxes on the basis of the Finnish Lottery Act. The Academy of Finland is also partially funded from funds that emanate from the Finnish gambling monopoly (through the Ministry of Culture and Education).

Funding

The author obtained the following financial support for the research, authorship, and/or publication of this article: Academy of Finland gambling research project funding. The Academy obtains a share of its annual funding from the Finnish gambling monopoly (Veikkaus), although indirectly through Ministry of Education and Culture. The Centre for Research on Addiction, Control, and Governance (CEACG) at the Faculty of Social Sciences, University of Helsinki, obtains a substantial part of its annual operating budget from the National Institute for Health and Welfare (THL). These funds emanate from hypothecated gambling taxes (legal agreement, the Ministry of Social Affairs and Health charges the costs of research from Veikkaus).

ORCID iD

Janne Nikkinen  <https://orcid.org/0000-0002-1004-9006>

References

- Adams, P. (2008). *Gambling, freedom, and democracy*. New York, NY: Routledge.
- Adams, P. (2016). *Moral jeopardy: Risks of accepting funding from alcohol, tobacco and gambling industries*. Cambridge, UK: Cambridge University Press.
- Babor, T., & Miller, P. (2014). McCarthyism, conflict of interest and *Addiction's* new transparency procedures. *Addiction*, 109(3), 341–344.
- Boyce, J. (2019). The lie of “responsible gambling”: Australia’s world beating gambling addiction and the deception to hide it. *The Monthly (Australia)*, June. Retrieved from <https://www.themonthly.com.au/issue/2019/june/1559397600/james-boyce/lie-responsible-gambling>
- Cassidy, R., Loussouarn, C., & Pisac, A. (2013). *Fair game: Producing gambling research*. The Goldsmiths report. London: European Research Council, University of London.
- Clotfelter, C. (2005). Gambling taxes. In S Cnossen (Ed.), *Theory and practice of excise taxation: Smoking, drinking, gambling, polluting, and driving*. Retrieved from <https://www.oxfordscholarship.com/view/10.1093/0199278598.001.0001/acprof-9780199278596-chapter-4?print=pdf>
- Egerer, M., Marionneau, V., & Nikkinen, J. (Eds.). (2018). *Gambling and European welfare states: Current challenges and future prospects*. London, UK: Palgrave MacMillan.
- Hing, N., Vitartas, P., Lamont, M., & Fink, E. (2014). Adolescent exposure to gambling promotions during televised sport: An exploratory study of links with gambling intentions. *International Gambling Studies*, 14(3), 374–393.
- Livingstone, C. (2013). Responsible gambling and the spectacle of the “problem gambler”. *The Conversation (Australia)*, 25 April. Retrieved from <https://theconversation.com/responsible-gambling-and-the-spectacle-of-the-problem-gambler-13579>
- Livingstone, C. (2017). A case for clean conferences in gambling research. *Drug and Alcohol Review*, 37(5), 683–686.
- Livingstone, C., Adams, P., Cassidy, R., Markham, F., Reith, G., Rintoul, A., . . . Young, M. (2018). On gambling research, social science and the consequence of commercial gambling. *International Gambling Studies*, 18(1), 56–68.
- Miller, P., Carter, A., & Groot, F. (2012). Investment and vested interests in neuroscience research of addiction: Ethical research requires more than informed consent. In A. Carter, W. Hall, & J. Illes (Eds.), *Addiction neuroethics. The ethics of addiction: Neuroscience, research and treatment* (pp. 277–290). London, UK: Academic Press.
- Miller, P., & Kypri, K. (2009). Why we do not accept funding from DrinkWise. *Drug and Alcohol Review*, 28, 324–326.
- Nelson, M., & Mason, J. (2007). *How the south joined the gambling nation: The politics of state policy innovation*. Baton Rouge: Louisiana State University Press.

- Orford, J. (2011). *An unsafe bet? The dangerous rise of gambling and the debate we should be having*. Chichester, UK: Wiley-Blackwell.
- Orford, J. (2013). *Power, powerlessness, and addiction*. Cambridge, UK: Cambridge University Press.
- Panasitti, M., & Schull, N. (1994). Re-articulating the moral economy of gambling. *Kroeber Anthropological Society Papers*, 77, 65–102.
- Rossow, I. (2019). Total consumption model applied to gambling: Empirical validity and implications for gambling policy. *Nordic Studies on Alcohol and Drugs*, 36(2), 66–76.
- Schull, N. (2012). *Addiction by design: Machine gambling in Las Vegas*. Princeton, NJ: Princeton University Press.
- Shaffer, H., & Korn, D. (2002). Gambling and related mental disorders: A public health analysis. *Annual Review of Public Health*, 23, 171–212.
- Sulkunen, P., Babor, T., Cisneros Örnberg, J., Egerer, M., Hellman, M., & Livingstone, C. (2018). *Setting limits: Gambling, science, and public policy*. Oxford, UK: Oxford University Press.
- Wardle, H., Reith, G., Langham, E., & Rogers, R. (2019). Gambling and public health: We need policy action to prevent harm. *BMJ*, 365, 11807. doi: 10.1136/bmj.11807
- Young, M., & Markham, F. (2017). Coercive commodities and the political economy of involuntary consumption: The case of the gambling industries. *Environment and Planning*, 49(12), 2762–2779.